

Research Markets Today

4 May 2026

Events Round-Up

NZ: ANZ consumer confidence, Apr: 80.3 vs. 91.3

NZ: Dwelling consents (m/m%), Mar: -1.3 vs. 2.8 prev.

JN: Tokyo CPI (y/y%), Apr: 1.5 vs. 1.7 exp.

JN: Tokyo CPI x-fr. food, energy (y/y%), Apr: 1.9 vs. 2.2 exp.

US: ISM manufacturing, Apr: 52.7 vs. 53.2 exp.

Good Morning

Friday marked a calm conclusion to a hectic week, with US equities reaching new record highs and crude oil prices declining for the second day in a row. Bonds and currencies experienced minimal overall movement. The NZD ended the week near 0.59.

The US-Iran conflict remains unchanged. On Friday, Iranian media reported that Iran is open to diplomacy if the US abandons its expansionist approach, threatening rhetoric, and provocative action. Iran submitted the text of its latest negotiation proposal to mediator Pakistan, although details were not made public. The WSJ indicated the proposal included signs of compromise aimed at reviving negotiations. Nevertheless, sources noted that the parties are still far apart on substantial issues, including reopening the Strait of Hormuz and Iran's nuclear programme. President Trump stated he was dissatisfied with the deal.

Updating events over the weekend, peace proposals have been exchanged between the US and Iran via mediator Pakistan. From what we can gather, Iran's proposal reopens the Strait of Hormuz alongside an end to the US blockade, ahead of month-long talks on a nuclear agreement. The US has previously rejected that sequencing.

US oil executives have cautioned that the market is at a pivotal point, as buffers are dwindling and stockpiles decrease. These buffers have mitigated the impact of the Strait of Hormuz closure on oil prices, but an inflection point with higher prices may be approaching if the closure persists.

In Friday trading, markets placed greater emphasis on Iran's apparent willingness to compromise rather than on warnings about possible oil shortages, leading Brent crude

to drop for a second consecutive day, closing 5% lower at approximately USD108.

US equity investors remain more focused on the influence of artificial intelligence and robust earnings than on the effects of elevated petrol prices. Earnings reports from Visa and Mastercard showed US consumers continued to demonstrate resilience. Information technology stocks led gains, with the Nasdaq rising 0.9% and the S&P 500 up 0.3%, both ending at new record highs. The Euro Stoxx 600 index remained unchanged.

Tariffs have not been discussed recently, but on Friday President Trump announced that the EU tariff on cars and trucks will increase to 25% in the coming week, citing the EU's non-compliance with its trade agreement. An EU spokesperson stated that the bloc is fulfilling its commitments and will seek clarification from the US.

In economic news, the US ISM manufacturing composite remained steady at 52.7, matching its highest reading since 2022, though expectations were for a slight increase. Amid elevated commodity prices, the prices paid index surged to a four-year high of 84.6. One economist neatly summarised the survey by noting that the US economy is holding up well despite the energy shock and possible supply disruptions, but respondents are concerned about rising input costs and the potential for output to be affected if the conflict continues.

US Treasury yields were largely unchanged for the day, with the 10-year yield closing flat at 4.37%, down a couple of basis points from the NZ close after opening higher during the Asian trading session. The three Fed Presidents who dissented from the FOMC policy statement each explained their reasons, all citing a more balanced perspective and considering that the next move may need to be a rate increase to address inflationary pressures, hence their disagreement with the Statement's implied easing bias.

Currency movements were also minimal. The NZD continued to show resistance in the 0.5920-0.5930 range, ending the week flat near 0.59. The AUD was steady at 0.72. NZD cross movements were unremarkable. Bloomberg estimated that Japan likely spent USD34.5 billion to support the yen in its latest intervention, based on BoJ accounts analysis. Analysts view intervention as a temporary fix for the weak yen, attributing its more than

50-year real exchange rate low primarily to the BoJ's ongoing ultra-easy monetary policy stance.

The domestic rates market was relatively quiet on Friday, with global factors pushing rates lower. Swaps dropped by about 7bps, while NZGBs showed a steeper curve, with short-term rates down 6bps compared to a 3-4bps decline for longer-term rates. The ANZ NZ consumer confidence index fell sharply to 80.3 in April, deepening further into pessimistic territory, although this was not much lower than late-March responses in the prior survey. Two-year inflation expectations increased from 5.7% to 6.6%, now surpassing levels observed during the peak of the COVID inflation surge. The RBNZ is vigilant regarding rising inflation expectations, and this will be an important factor in its policy outlook.

The economic calendar is light at the start of the week. The key domestic event in the coming days will be

Wednesday's labour market reports. The RBA is widely expected to raise rates for a third consecutive meeting tomorrow, although this is not certain given the narrow voting margin at the previous meeting. Following major central bank meetings last week, many policymakers will deliver speeches now that the blackout period has ended. The key global economic release will be the US labour market reports at the end of the week.

jason.k.wong@bnz.co.nz

Coming Up

	Period	Cons.	Prev.	NZT
AU	Building approvals (m/m%)	Mar	-10.0	29.7 13:30
US	Fed's Williams delivers keynote remarks			04:50

Source: Bloomberg

Currencies					Equities					Commodities				
FX Majors		Indicative overnight ranges (*)			Other FX		Major Indices			Price (Near futures, except CRB)				
	Last	% Day	Low	High	Last	% Day	Last	% Day	% Year	Last	Net Day			
NZD	0.5897	-0.2	0.5888	0.5925	CHF	0.7821	+0.1	S&P 500	7,230	+0.3	29.0	Oil (Brent)	108.17	-1.1
AUD	0.7201	+0.0	0.7184	0.7228	SEK	9.213	-0.3	Dow	49,499	-0.3	21.5	Oil (WTI)	101.94	-3.0
EUR	1.1720	-0.1	1.1716	1.1785	NOK	9.295	+0.4	Nasdaq	25,114	+0.9	41.8	Gold	4644.5	+0.3
GBP	1.3575	-0.2	1.3569	1.3658	HKD	7.835	+0.0	Stoxx 50	5,882	+0.0	14.0	HRC steel	1084.0	+0.3
JPY	157.08	+0.3	155.87	157.12	CNY	6.829	-0.2	FTSE	10,364	-0.1	20.6	CRB	393.4	-0.4
CAD	1.3591	+0.1			SGD	1.273	-0.0	DAX	24,292	+1.4	5.2	Wheat Chic.	637.8	+0.2
NZD/AUD	0.8189	-0.2			IDR	17,337	-0.1	CAC 40	8,115	+0.5	4.4	Sugar	14.95	+2.3
NZD/EUR	0.5032	-0.1			THB	32.38	-0.4	Nikkei	59,513	+0.4	61.8	Cotton	81.85	+2.5
NZD/GBP	0.4344	+0.0			KRW	1,471	-0.4	Shanghai	4,112	+0.1	24.0	Coffee	286.4	+0.3
NZD/JPY	92.63	+0.1			TWD	31.66	+0.3	ASX 200	8,730	+0.7	6.0	WM powder	3835	+0.4
NZD/CAD	0.8015	-0.1			PHP	61.48	-0.0	NZX 50	13,039	+1.1	5.8	Australian Futures		
NZ TWI	66.82	-0.1					VIX Index	16.99	+0.6	-30.9	3 year bond	95.28	0.06	
											10 year bond	94.97	0.00	

Interest Rates													
Rates		Swap Yields		Benchmark 10 Yr Bonds		NZ Government Bonds		NZ BKBM and Swap Yields					
	Cash	3Mth	2 Yr	10 Yr	Last	Net Day	Last	Chg	Last	Chg			
USD	3.75	4.85	3.72	3.94	USD	4.37	-0.00	15-May-28	3.62	-0.06	BKBM 1-mth	2.42	0.01
AUD	4.10	4.37	4.70	5.09	AUD	5.02	-0.04	20-Apr-29	3.81	-0.06	BKBM 3-mth	2.61	-0.02
NZD	2.25	2.61	3.54	4.32	NZD	4.69	-0.04	15-May-30	3.99	-0.06	1 year	3.14	-0.06
EUR	2.00	2.20	2.85	3.07	GER	3.04	0.00	15-May-31	4.17	-0.06	2 year	3.54	-0.07
GBP	3.75	3.86	4.29	4.50	GBP	4.96	-0.05	15-May-32	4.32	-0.06	3 year	3.72	-0.07
JPY	0.74	-0.03	1.36	2.29	JPY	2.52	-0.01	14-Apr-33	4.42	-0.05	5 year	3.95	-0.07
CAD	2.25	4.97	2.82	3.28	CAD	3.53	-0.02	15-May-34	4.51	-0.05	7 year	4.12	-0.07
								15-May-35	4.60	-0.04	10 year	4.32	-0.07
								15-May-36	4.69	-0.04	15 year	4.56	-0.06
								15-May-37	4.77	-0.04			
								15-May-41	5.02	-0.03			
								15-May-51	5.23	-0.03	NZ Inflation-Indexed Bonds		
								15-May-54	5.24	-0.03	Sept-30	1.55	-0.06
											Sept-35	2.34	-0.07
											Sept-40	2.80	-0.07

Carbon Price				Policy Meeting Run			
	Level	% Day	% Year	NZD	AUD	USD	
NZU	52.75	+0.0	+5.3	1st	2.32	4.29	3.63
				2nd	2.50	4.37	3.62
				3rd	2.73	4.52	3.60
				4th	2.90	4.61	3.61
				5th	3.12	4.71	3.63

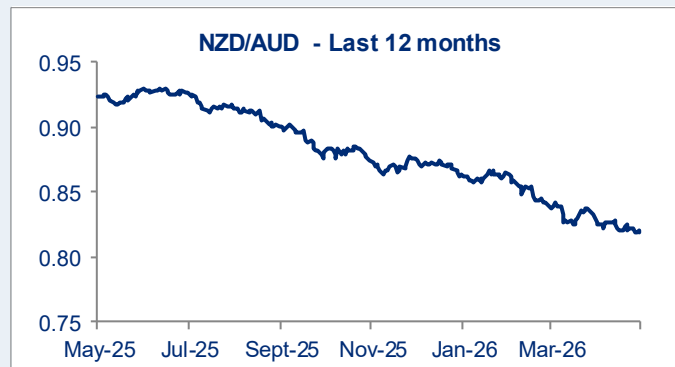
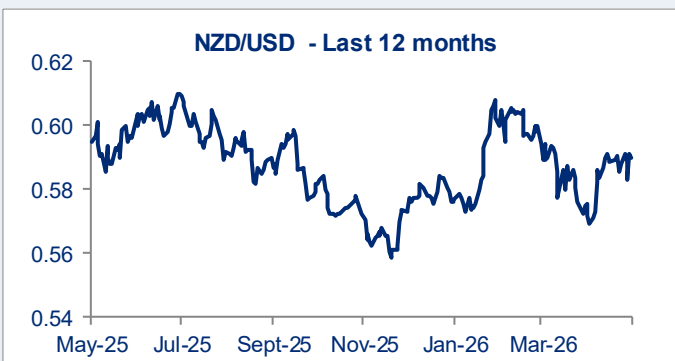
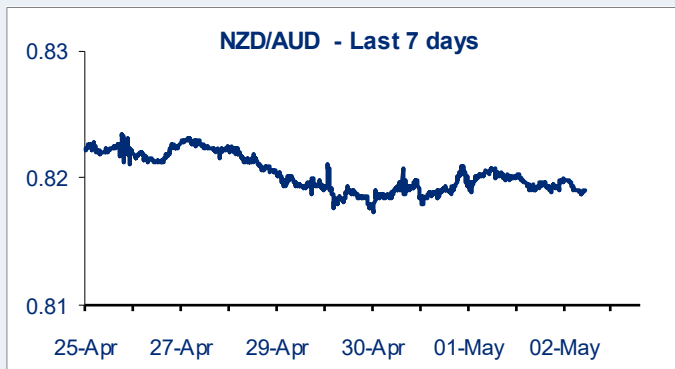
* These are indicative ranges from 5pm NZT; please confirm rates with your BNZ dealer

Rates at NY close

Source: Bloomberg

NZD exchange rates

2/05/2026	NY close	Prev. NY close
USD	0.5897	0.5908
GBP	0.4344	0.4343
AUD	0.8189	0.8204
EUR	0.5032	0.5036
JPY	92.63	92.51
CAD	0.8015	0.8024
CHF	0.4614	0.4617
DKK	3.7611	3.7636
FJD	1.2942	1.2990
HKD	4.6217	4.6273
INR	55.99	56.04
NOK	5.4831	5.4699
PKR	164.44	165.02
PHP	36.27	36.38
PGK	2.5637	2.5698
SEK	5.4349	5.4594
SGD	0.7508	0.7522
CNY	4.0279	4.0413
THB	19.23	19.31
TOP	1.3508	1.3768
VUV	69.96	69.97
WST	1.5773	1.5842
XPF	60.13	60.22
ZAR	9.8198	9.8495



NZD/USD Forward Points

	BNZ buys NZD	BNZ sells NZD
1 Month	6.09	6.47
3 Months	17.09	17.69
6 Months	29.40	30.78
9 Months	36.71	38.85
1 Year	39.19	43.41

NZD/AUD Forward Points

	BNZ buys NZD	BNZ sells NZD
1 Month	12.90	13.70
3 Months	38.33	39.59
6 Months	74.89	77.73
9 Months	107.87	112.04
1 Year	132.69	140.90

Contact Details

BNZ Research

Stephen Toplis
Head of Research

Doug Steel
Senior Economist

Matt Brunt
Economist

Jason Wong
Senior Markets Strategist

Stuart Ritson
Senior Interest Rate Strategist

Mike Jones
BNZ Chief Economist

Main Offices

Wellington
Level 2, BNZ Place
1 Whitmore Street
Wellington Mail Centre
Lower Hutt 5045
New Zealand
Toll Free: 0800 283 269

Auckland
80 Queen Street
Private Bag 92208
Auckland 1142
New Zealand
Toll Free: 0800 283 269

Christchurch
111 Cashel Street
Christchurch 8011
New Zealand
Toll Free: 0800 854 854

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